

**FIRE DISTRICT NO. 2
JOHNSON COUNTY, KANSAS**

**REGULATORY BASIS FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

**TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT**

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Fire District No. 2, Johnson County, Kansas

Report on the Financial Statements

We have audited the accompanying statement of receipts, expenditures, and unencumbered cash of Fire District No. 2, Johnson County, Kansas (the District), as of and for the year ended December 31, 2015, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed by the *Kansas Municipal Audit and Accounting Guide (KMAAG)* to demonstrate compliance with KMAAG's basis of accounting and budget laws. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variance between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles


In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2015, or changes in financial position or cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of December 31, 2015, and the aggregate receipts and expenditures for the year ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures - actual and budget, individual fund schedules of regulatory basis receipts and expenditures - actual and budget, regulatory basis (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.


Olathe, Kansas
June 14, 2016

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General fund, General	\$ 127,250	\$ -	\$ 3,877,817	\$ 3,962,307	\$ 42,760	\$ 82,170	\$ 124,930
Special purpose fund, Ambulance	102,722	-	541,241	550,000	93,963	-	93,963
Bond and interest fund, Bond and interest	102,028	-	479,796	479,465	102,359	-	102,359
Capital projects fund, 2015 Bond Fund	-	-	2,674,732	239,524	2,435,208	-	2,435,208
Reserve funds:							
Equipment	589,131	-	109	-	589,240	-	589,240
Building	10,000	-	-	-	10,000	-	10,000
Total reporting entity	<u>\$ 931,131</u>	<u>\$ -</u>	<u>\$ 7,573,695</u>	<u>\$ 5,231,296</u>	<u>\$ 3,273,530</u>	<u>\$ 82,170</u>	<u>\$ 3,355,700</u>

Composition of cash:

Money market accounts, First National Bank	\$ 130,814
Municipal investment pool	3,273,356
Checking accounts:	
Peoples Bank	1,234
First National Bank	(50,004)
Petty cash	<u>300</u>
Total reporting entity	<u>\$ 3,355,700</u>

See accompanying notes.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting Entity: Fire District No. 2, Johnson County, Kansas (the District), was created June 6, 1974, by the Board of County Commissioners of Johnson County, under the provisions of K.S.A. 19-3613. The District is governed by a five member Board of Directors that is appointed by the Third District Commissioner and must reside in the fire district area. The Board of Directors helps to oversee the operation of the District's fire department and selection of regular fire department employees. The District's service area is comprised of approximately 140 square miles of Johnson County and Miami County. The District's financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 3100 of the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, include whether:

1. The organization is legally separate (can sue and be sued in their own name).
2. The District holds the corporate powers of the organization.
3. The District appoints a voting majority of the organization's Board.
4. The District is able to impose its will on the organization.
5. The organization has the potential to impose a financial benefit or burden on the District.
6. There is fiscal dependency of the organization by the District.

Based on the aforementioned criteria, Fire District No. 2, Johnson County, Kansas, has no component units.

Basis of Accounting: *Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America.* The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Reimbursements: A reimbursement is an expenditure or expense initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, the District records an expenditure in the reimbursing fund and a reduction of expenditure in the reimbursed fund, following the authoritative guidance provided under KMAAG regulatory basis accounting.

Regulatory Basis Fund Types:

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific regulatory sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds, and payment of general long-term debt.

Budgetary Information: Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), principal and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year ended December 31, 2015.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Budgetary Information (Continued):

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, fiduciary funds, permanent funds, and the following special purpose funds:

Building Replacement Reserve Fund
2015 Bond Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Investments: The District invests in authorized investment pools. Investments are carried at fair value.

Cash and Cash Equivalents: Cash of all funds, excluding the District's payroll clearing account, is pooled in a common interest bearing bank account in order to maximize investment opportunities.

Inventories and Prepaid Expenses: Inventories and prepaid expenses, which benefit future periods, are recorded as expenditures during the year of purchase as required by state statute.

Capital Assets: The expenditures for capital assets are reflected in the year the expenditures are made. No estimated useful lives, in years, have been calculated for depreciation purposes for fixed assets.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS

2. RISK MANAGEMENT:

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. There have been no significant reductions in insurance coverage from the prior year.

3. DEPOSITS AND INVESTMENTS:

At December 31, 2015, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities Less than 1 year</u>	<u>Rating</u>
Kansas Municipal Investment Pool	<u>\$ 3,273,356</u>	<u>\$ 3,273,356</u>	S&P AAf/S1+

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The rating of the District's investments is noted above.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 9-1405. The District's allocation of investments as of December 31, 2015, is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Kansas Municipal Investment Pool	100%

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS

3. DEPOSITS AND INVESTMENTS (Continued):

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has no designated "peak periods". All deposits were legally secured at December 31, 2015.

At December 31, 2015, the District's carrying amount of deposits was \$82,344 and the bank balance was \$179,785. The entire bank balance was covered by federal depository insurance.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At December 31, 2015, the District had invested \$3,273,356 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than 10% of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4. COMPENSATED ABSENCES:

Vacation leave – Vacation leave shall be earned from the most recent date of employment. Leave is accrued by full time employees at a rate based on the years of service completed with the District, the work assignment, and the customary number of hours in the pay period. Employees are allowed to carry over unused vacation leave from year to year. The maximum amount any employee can accrue at any time is twice their annual accrual amount. Upon termination, an employee shall be compensated for all earned but unused vacation leave at their final rate of pay. The estimated liability for accrued vacation leave at December 31, 2015, is \$160,088.

Sick leave – The District's policy allows employees to accrue sick leave on a monthly basis. Shift employees in regular full-time positions accrue one working day each month of service. Forty hour per week employees in regular full-time positions accrue two working days for each month of service. The maximum accrual is 45 days for shift employees and ninety days for regular full-time employees. No unused accumulated sick pay is paid at termination.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS

5. LONG-TERM DEBT:

The District has issued General Obligation Bonds Series 2006A dated March 1, 2006, in the amount of \$1,055,000 for the purpose of fire station upgrades and remodeling. Also, the District issued General Obligation Bonds Series 2007A dated November 15, 2007, in the amount of \$3,000,000 for the purpose of acquiring new fire apparatus. The District has issued General Obligation Bonds Series 2015A dated May 13, 2015, in the amount of \$2,585,000 for the purpose of building a new fire station.

A summary of general long-term debt is as follows:

General obligation bonds:

\$1,055,000 Series 2006-A, dated March 1, 2006, due in annual installments of \$65,000 to \$85,000, until maturity on September 1, 2021, interest at 3.5% to 5%	\$ 510,000
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\$3,000,000 Series 2007-A, dated November 15, 2007, due in annual installments of \$280,000 to \$400,000, until maturity on September 1, 2018, interest at 3.45% to 4.25%	1,085,000
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\$2,585,000 Series 2015-A, dated May 13, 2015, due in annual installments of \$190,000 to \$245,000, until maturity on September 1, 2030, interest at 1.5% to 3%.	<u>2,585,000</u>
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Total long-term debt	<u>\$ 4,180,000</u>
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Changes in the District's long-term debt balances for the year ended December 31, 2015, were as follows:

	Balance January 1, 2015	Additions	Retirements	Balance December 31, 2015	Amounts Due Within One Year
General obligation bonds	<u>\$ 2,000,000</u>	<u>\$ 2,585,000</u>	<u>\$ 405,000</u>	<u>\$ 4,180,000</u>	<u>\$ 420,000</u>

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS

5. LONG-TERM DEBT (Continued):

Aggregate annual principal and interest payments applicable to long-term debt are:

Years Ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 420,000	\$ 142,536	\$ 562,536
2017	440,000	108,242	548,242
2018	465,000	91,882	556,882
2019	275,000	74,128	349,128
2020	285,000	67,962	352,962
2021-2025	1,130,000	244,862	1,374,862
2026-2030	<u>1,165,000</u>	<u>105,701</u>	<u>1,270,701</u>
	<u>\$ 4,180,000</u>	<u>\$ 835,313</u>	<u>\$ 5,015,313</u>

6. PROPERTY TAXES:

In accordance with governing state statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County.

Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property.

The estimated assessed valuation of tangible property for the purpose of local taxation as of July 1, 2014, was \$158,419,113. The tax levy per \$1,000 assessed valuation of tangible real and personal property for the calendar year of 2015 was as follows:

General Fund	14.849
Ambulance	1.672
Bond and interest #4	0.228
Bond and interest #5	<u>2.046</u>
	<u>18.795</u>

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS

7. DEFINED BENEFIT PENSION PLAN:

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *ET seq.* Kansas law establishes and amends benefits provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015 Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414 (h) of the Internal Revenue Code.

State law provides that the employer contribution rates of KPERS 1, KPERS 2, and KPERS 3 be determined based on results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 0.85% contribution rate for Death and Disability Program) and the statutory contribution rate was 9.48% for the fiscal year ended December 31, 2015. Contributions to the pension plan from the District were \$244,168 for the year ended December 31, 2015.

Net Pension Liability

At December 31, 2015, the District's proportionate share of the collective new pension liability reported by KPERS was \$2,096,485. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The District's proportion of the net pension liability based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employer and publicly available on the website at www.kpers.org or can be obtained as described above.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS

8. INTERFUND TRANSFERS:

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
Ambulance Fund	General Fund		<u>\$ 550,000</u>

9. EVALUATION OF SUBSEQUENT EVENTS:

The District has evaluated subsequent events through June 14, 2016, the date which the financial statements were available to be issued.

REGULATORY – REQUIRED SUPPLEMENTARY INFORMATION

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General fund, General fund	\$ 4,150,041	\$ -	\$ 4,150,041	\$ 3,962,307	\$ 187,734
Special purpose, Ambulance	550,000	-	550,000	550,000	-
Bond and interest, Debt service	515,465	-	515,465	479,465	36,000
Special equipment, Replacement reserve	<u>(5,000)</u>	<u>-</u>	<u>(5,000)</u>	<u>-</u>	<u>(5,000)</u>
Total	<u>\$ 5,210,506</u>	<u>\$ -</u>	<u>\$ 5,210,506</u>	<u>\$ 4,991,772</u>	<u>\$ 218,734</u>

See accompanying notes.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	ACTUAL	BUDGET	VARIANCE OVER (UNDER)
RECEIPTS:			
Ad valorem taxes	\$ 2,299,547	\$ 2,345,219	\$ (45,672)
Delinquent taxes	5,501	30,000	(24,499)
Recreation vehicle tax	2,913	2,963	(50)
Motor vehicle tax	279,856	258,493	21,363
Heavy truck tax	4,194	1,425	2,769
Excise tax	46	-	46
Reimbursement and miscellaneous	69,573	48,500	21,073
Miami County Fire District	169,234	169,234	-
City of Spring Hill	531,348	533,685	(2,337)
City of Overland Park	515,532	525,000	(9,468)
Interest on idle funds	73	-	73
Operating transfers	-	(5,000)	5,000
Total receipts	<u>3,877,817</u>	<u>\$ 3,909,519</u>	<u>\$ (31,702)</u>
EXPENDITURES:			
Payroll, payroll taxes, and employee benefits	3,935,549	4,045,591	110,042
Training and tuition	24,944	34,000	9,056
Uniforms and bunker gear	35,666	29,500	(6,166)
Ambulance - consumable supplies and fees	7,816	7,700	(116)
Fire - consumable supplies	5,795	8,000	2,205
Communication - telephones, radios, and pagers	47,720	61,200	13,480
Truck, ambulance, and auto - maintenance, title, and fuel	75,258	109,500	34,242
Maintenance of equipment and tool purchases	28,158	82,350	54,192
Utilities	55,032	62,500	7,468
Insurance - buildings and equipment	65,830	68,500	2,670
Administrative and office	18,301	18,200	(101)
Capital outlay - new equipment and buildings (non-major)	115,386	69,000	(46,386)
Legal	15,921	20,000	4,079
Repairs and maintenance - equipment and buildings	37,025	34,500	(2,525)
Accounting, auditing, budgeting, and payroll services	27,502	29,000	1,498
Ambulance run fee billing service	15,124	13,000	(2,124)
Med-Act trip charges	1,280	7,500	6,220
Less - unallocated ambulance expenses included	<u>(550,000)</u>	<u>(550,000)</u>	<u>-</u>
Total expenditures	<u>3,962,307</u>	<u>4,150,041</u>	<u>187,734</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(84,490)	(240,522)	<u>\$ 156,032</u>
UNENCUMBERED CASH BALANCE, BEGINNING	<u>127,250</u>		
UNENCUMBERED CASH BALANCE, ENDING	<u>\$ 42,760</u>		

See accompanying notes.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS
 AMBULANCE FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2015

	ACTUAL	BUDGET	VARIANCE OVER (UNDER)
RECEIPTS:			
Ad valorem taxes	\$ 259,039	\$ 264,059	\$ (5,020)
Delinquent taxes	452	-	452
Recreation vehicle tax	431	449	(18)
Motor vehicle tax	41,292	39,121	2,171
Heavy truck tax	591	216	375
Excise tax	6	-	6
Miami Co Fire District	35,000	35,000	-
Ambulances run fees	204,427	130,000	74,427
Interest on idle funds	3	-	3
Total receipts	<u>541,241</u>	<u>\$ 468,845</u>	<u>\$ 72,396</u>
EXPENDITURES,			
Unallocated ambulance expenses	<u>550,000</u>	<u>\$ 550,000</u>	<u>-</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(8,759)	(81,155)	<u>\$ 72,396</u>
UNENCUMBERED CASH BALANCE, BEGINNING	<u>102,722</u>		
UNENCUMBERED CASH BALANCE, ENDING	<u>\$ 93,963</u>		

See accompanying notes.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS
DEBT SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	ACTUAL	BUDGET	VARIANCE OVER (UNDER)
RECEIPTS:			
Ad valorem taxes	\$ 432,776	\$ 662,046	\$ (229,270)
Delinquent taxes	3,029	-	3,029
Recreation vehicle tax	706	411	295
Motor vehicle tax	42,711	35,787	6,924
Heavy truck tax	326	197	129
Excise tax	7	-	7
Interest income	241	-	241
Total receipts	<u>479,796</u>	<u>\$ 698,441</u>	<u>\$ (218,645)</u>
EXPENDITURES:			
Bond principal payment	405,000	441,000	36,000
Interest payments	<u>74,465</u>	<u>74,465</u>	<u>-</u>
Total expenditures	<u>479,465</u>	<u>\$ 515,465</u>	<u>36,000</u>
RECEIPTS OVER (UNDER) EXPENDITURES	331	182,976	<u>\$ (182,645)</u>
UNENCUMBERED CASH BALANCE, BEGINNING	<u>102,028</u>		
UNENCUMBERED CASH BALANCE, ENDING	<u>\$ 102,359</u>		

See accompanying notes.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS
EQUIPMENT REPLACEMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE OVER (UNDER)</u>
RECEIPTS,			
Interest income	\$ 109	\$ -	\$ 109
EXPENDITURES,			
Operating transfers	<u>-</u>	<u>(5,000)</u>	<u>5,000</u>
Total expenditures	<u>-</u>	<u>\$ (5,000)</u>	<u>5,000</u>
RECEIPTS (UNDER) EXPENDITURES	<u>109</u>	<u>5,000</u>	<u>\$ 4,891</u>
UNENCUMBERED CASH BALANCE, BEGINNING	<u>589,131</u>		
UNENCUMBERED CASH BALANCE, ENDING	<u>\$ 589,240</u>		

See accompanying notes.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS
BUILDING REPLACEMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>ACTUAL</u>
RECEIPTS	\$ <u>-</u>
EXPENDITURES	<u>-</u>
RECEIPTS (UNDER) EXPENDITURES	-
UNENCUMBERED CASH BALANCE, BEGINNING	<u>10,000</u>
UNENCUMBERED CASH BALANCE, ENDING	<u><u>\$ 10,000</u></u>

See accompanying notes.

FIRE DISTRICT NO. 2, JOHNSON COUNTY, KANSAS
2015 BOND FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>ACTUAL</u>
RECEIPTS:	
Bond proceeds	\$ 2,674,610
Interest income	<u>122</u>
Total receipts	<u>2,674,732</u>
EXPENDITURES,	
Building capital improvements	239,524
RECEIPTS (UNDER) EXPENDITURES	2,435,208
UNENCUMBERED CASH BALANCE, BEGINNING	<u>-</u>
UNENCUMBERED CASH BALANCE, ENDING	<u>\$ 2,435,208</u>

See accompanying notes.